THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) Life Insurance Corporation of India (LIC) has reported that as per the website of National Stock Exchange (NSE), 91 companies have been suspended from trading since 2001. Similar details from the Bombay Stock Exchange website are not available. It has further reported that out of the 91 companies suspended by NSE since 2001, LIC has exposure in 10 companies with an investment of about Rs. 38 crore book value. Further, LIC has exposure of about Rs. 304 crore (book value) in another 448 companies which are not being traded on the exchange as on date.

(c) LIC has reported that as and when it receives offers to buy its holding, either in part or whole, in such companies, the proposals are processed based on the acquisition cost, net asset value of the share and the future prospects of the company. Appropriate decision in this regard is taken by LIC on the advice of its Investment Committee.

(d) to (f) LIC has reported that it received proposal for about 121 companies of which LIC sold equity holding in about 87 companies. In another 5 cases, the price was not found acceptable and in respect of the remaining proposals, the final decision is yet to be taken.

Recovery of tax by banking cash transaction tax

2316. SHRIMATI SYEDA ANWARA TAIMUR: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that by the Banking Cash Transaction Tax (BCTT), introduced by the Income Tax Department, has recently found undeclared cash transactions worth over Rs. 1,500 crore in a Nationalized Bank alone operated by seven account holders;

(b) if so, what Government have taken to recover the tax evaded by them; and

(c) what are the major achievements by the BCTT since its inception, State-wise, details and tax recovered with the help of the BCTT?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) On the basis of the monthly statements filed under the Banking Cash Transaction Tax (BCTT), enquiries have been carried out in several cases, including in respect of

a nationalized bank branch at Delhi in which unaccounted transactions undertaken by seven persons were detected.

(b) Findings of the enquiries/investigation have been referred to the jurisdictional Assessing Officers for taking appropriate action under the law.

(c) BCTT collected during the financial year 2005-06 was Rs. 309.34 crore while an amount of Rs. 451.23 crore has been collected in the current financial year upto February, 2007. Enquiries carried out by the Income Tax Department on the basis of the BCTT statements have led to detection of substantial tax evasion. Tax recovery in respect of such cases would take place only after the assessments in these cases are finalized in accordance with law. State-wise details of such cases are not centrally maintained.

Decline In RRBs

†2317. SHRI RUDRA NARAYANA PANY: Will the Minister of FINANCE be pleased to state:

(a) whether the number of Regional Rural Banks is decreasing;

(b) whether the names of RRBs in the States are being changed; and

(c) if so, whether Government are aware of the discontent being cropped up due to this change?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) As a result of amalgamation, the number of Regional Rural Banks (RRBs) have decreased from 196 to 96 as on 12.3.2007. However, the total number of branches of RRBs has not decreased as a result of amalgamation.

(b) On the amalgamation of RRBs, the amalgamated entity has been given a new name in consultation with Sponsor Bank, NABARD and the concerned State Government. There is no change in the names of the RRBs which have not been amalgamated.

(c) As reported by NABARD, there is no discontentment in the customers of RRBs on account of the change in name of the amalgamated RRBs.

---

†Original notice of the question was received in Hindi.